



United States Attorney District of New Jersey

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SHIPPING COMPANY TRANSPORTATION MANAGER PLEADS GUILTY TO EMBEZZLING HUNDREDS OF THOUSANDS THROUGH ALTERED FUEL CARDS IN THE NAMES OF OTHERS

TRENTON, N.J. – The former transportation manager of a shipping company pleaded guilty today to embezzling in excess of \$656,000 from his employer by making unauthorized automated teller machine (“ATM”) withdrawals using fuel cards that he ordered in the name of company truck drivers, U.S. Attorney Paul J. Fishman announced.

Michael E. Hamm, 48, formerly of Flemington, New Jersey, and now residing in Lafayette, Indiana, entered his guilty plea to one count of access device fraud before Chief United States District Judge Garrett E. Brown, Jr. in Trenton federal court. Judge Brown allowed Hamm to be released on a \$100,000 bond until his sentencing, scheduled for August 9, 2010.

According to the Information to which Hamm pleaded guilty and statements made in court:

Between April 2007 and December 2009, Hamm worked as a transportation manager for a company, with locations in New Jersey and elsewhere throughout the United States, that operated a trucking fleet as part of its business. As part of his job responsibilities, Hamm managed and monitored the company’s relationship with COMDATA. COMDATA provided a fuel program to the company, which included fuel cards that company truck drivers could use to purchase fuel for their trucks. Hamm was responsible for requesting and activating these cards, distributing them to the truck drivers, and then reviewing and approving invoices that COMDATA issued to the company.

Hamm admitted that during the relevant period, he used his position to have additional fuel cards issued to some of the company’s truck drivers, and then altered the characteristics of the additional cards to allow for cash withdrawals at ATM machines. Instead of giving the additional cards to the truck drivers, Hamm used the cards to make unauthorized cash withdrawals from ATM machines in New Jersey and elsewhere, including near his home in Hunterdon County. Hamm further admitted that he altered the invoices that COMDATA issued to the company in order to conceal his conduct.

Between April 2007 and December, 2009, Hamm made approximately 888 unauthorized withdrawals using the cards, totaling \$656,200 in cash and incurring \$3,181.25 in related ATM fees.

The access device charge to which Hamm pleaded guilty carries a maximum penalty of 15 years in prison and a maximum fine of \$250,000, or twice the amount of loss caused by his offense. In addition, Hamm agreed to pay restitution to his former employer in the amount of \$659,383.25, and to forfeit to the United States a 2009 Mercedes Benz CLS550, which Hamm agreed was property derived from proceeds traceable to his criminal offense.

In determining an actual sentence, Judge Brown will consult the advisory United States Sentencing Guidelines, which provide appropriate sentencing ranges that take into account the severity and characteristics of the offense, the defendant's criminal history, if any, and other factors. The judge, however, is not bound by those guidelines in determining the sentence. Parole has been abolished in the federal system. Defendants who are given custodial terms must serve nearly all that time.

U.S. Attorney Fishman credited Special Agents of the Federal Bureau of Investigation's Franklin Township Resident Agency, under the direction of Special Agent in Charge Michael B. Ward in Newark, with the investigation leading to today's guilty plea.

The government is represented by Assistant U.S. Attorney Eric M. Schweiker of the U.S. Attorney's Office Criminal Division in Trenton.

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Defense counsel: John P. McDonald, Esq., Somerville, New Jersey